

vailing duty is an additional duty equal to the net amount of such bounty or grant. Like the Antidumping Act, relief under this provision depends upon a finding of culpability in the exporting country. The task of revealing a bounty or grant from the intricacies of foreign law is, at best, burdensome. Often the existence of the bounty or grant is not revealed by foreign statute, and is sub rosa in nature. Once again, the inflow of imports and their noxious effect upon domestic industry is irrelevant, and only a finding of a bounty or grant will trigger this remedial statute.

The domestic litharge industry, during the past five years, has sought self-protection through both of these statutes. To date, our efforts have been abortive. The reason for our inability to safeguard this industry through the aforementioned statutes is that both provisions are criminalistic, in the economic and international trade sense, and, consequently, narrowly drafted and stringently interpreted. The circumstances behind the importation of litharge from Mexico is replete with unique facts and characteristics, and creates a tenuous argument to incorporate this situation into the narrow confines of existing statutes. The frustration of our industry incidental to attempts to invoke existing law is the best evidence available to manifest the inherent weakness of our statutory scheme. During the past decade the domestic litharge industry has suffered from the fantastic influx of Mexican imports. Since 1955 such imports have increased from less than one percent of domestic consumption to over twenty percent. The only possible explanation for this phenomenon is the price differential between Mexican and domestic litharge. The injurious effects upon the domestic industry are self-evident. Yet, these facts, in themselves, afford no bases for relief, since existing law demands proof of "fault" in the exporting country.

PROPOSED LEGISLATION

The underlying policy behind H.R. 51, "Lead and Zinc Act of 1967", and the "Import Regulation Act of 1968" is the type of legislation needed to remedy the problem of our industry. Both proposed statutes attempt to eliminate the destructive effects of imports upon domestic industry by stabilizing their influx. The operative facts necessary to initiate their applicability are merely an increase in imports, and the automatic correlative of a declining market for the domestic industry. Thus injury to the domestic industry resulting from an increase in the flow of imports is sufficient to execute remedial legislation, without the American manufacturer or producer being burdened by the necessity to establish "fault" in the exporting country. But while the general policy of the proposed legislation is what is required to preserve the domestic litharge industry, the substantive provisions appear only to have a peripheral effect upon our dilemma.

H.R. 51, "Lead and Zinc Act of 1967", is concerned primarily with the domestic lead and zinc industries, and the proposed statute has only an ancillary effect upon a "manufactured lead article", which would include litharge. The statute would impose a quota on manufactured lead articles only if a lead quota had previously been instituted. Title III, thus, would establish a manufactured lead quota only for the purpose of preserving the market created by the lead ore and lead metal quota, and not for the purpose of preserving a market for the manufactured lead producers. This statute is not responsive to the plight of the domestic litharge industry.

The "Import Regulation Act of 1968" is more applicable to the needs of our industry. In fact, Section 2, which states the purpose of the Act "to stabilize imports and to eliminate their destructive effects", appears to have been drafted with the litharge industry in mind. Section 5 sets forth various conditions which if found to exist would automatically be deemed to place the domestic industry "at a serious competitive disadvantage in relation to imports." At least two of these conditions exist with regard to the relationship of domestic litharge and the Mexican imports.

But while this proposed statute would clearly apply to the litharge situation, the remedy afforded would only provide partial relief to our woes. Section 5(e)(1) limits the ceiling on imports to the share of domestic consumption supplied by the imports during the most recent calendar year. Thus, complete relief under the proposed legislation would still leave a situation whereby Mexican imports consume over twenty (20) percent of domestic consumption. We do not mean to discount the fact that future invasion of our markets, which appears more than probable, would be thwarted, but only that the remedy should be less